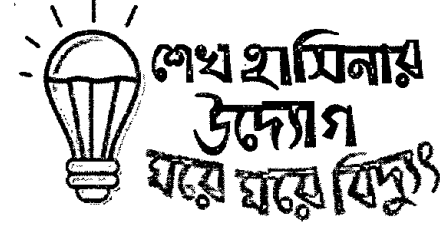




ISO 9001:2015 & ISO 45000:2018 Certified



Proposed Budget for the FY 2022–2023 & Revised Budget for the FY 2021-2022

30 June-2022

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

Proposed Budget for the FY 2022–2023 and Revised Budget for the FY 2021-2022

Executive Summary**1. Revenue Budget**

Taka in Crore

Particulars	Actual 2020-21	Budget 2021-22	Actual 2021-22 (July/21 to Mar/22)	Estimated 2021-22 (April/22 to June/22)	Revised Budget 2021-2022	Variance (Revised Budget 2021-22 with Budget 2021-22) (%)	Budget 2022-23	Variance (Budget 22-23 with Revised Budget 21-22) (%)
Total Revenue	4,590.99	5,185.37	3,495.50	1,582.81	5,078.31	(2.06)	5,505.23	8.41
Total Expenditure	4,517.08	5,131.15	3,473.04	1,584.47	5,057.51	(1.44)	5,456.39	7.89
Net Profit	73.91	54.22	22.46	(1.66)	20.79	(61.65)	48.84	134.88

2. Capital / Development Budget

Taka in Crore

Particulars	Actual 2020-21	Budget 2021-22	Actual 2021-22 (July/21 to Mar/22)	Estimated 2021-22 (April/22 to June/22)	Revised Budget 2021-2022	Variance (Revised Budget 2021-22 with Budget 2021-22) (%)	Budget 2022-23	Variance (Budget 22-23 with Revised Budget 21-22) (%)
ADB Fund for Projects	37.01	48.43	15.88	24.00	39.88	(17.65)	-	(100.00)
JICA Fund for Projects	9.03	80.00	1.40	1.33	2.73	(96.59)	80.00	2,834.16
AIIB Fund for Projects	-	-	-	-	-	-	-	-
GOB Fund for Projects	20.99	30.00	3.38	23.60	26.98	(10.07)	114.71	325.17
DESCO Fund for Projects	6.39	56.79	3.57	3.74	7.31	(87.13)	40.06	448.29
DESCO Fund (CD/VAT)	-	-	-	-	-	0.00	-	0.00
DESCO Fund (own resources)	222.90	667.23	173.59	328.74	502.33	(24.71)	1,079.63	114.92
Total	296.32	882.44	197.83	381.40	579.23	(34.36)	1,314.40	126.92

3. Basic Data

Particulars	Actual 2020-21	Budget 2021-22	Actual 2021-22 (July/21 to Mar/22)	Estimated 2021-22 (April/22 to June/22)	Revised Budget 2021-2022	Variance (Revised Budget 2021-22 with Budget 2021-22) (%)	Budget 2022-23	Variance (Budget 22-23 with Revised Budget 21-22) (%)
No. of units purchased (Crore kwh)	576.23	598.95	435.67	184.82	620.49	3.60	681.83	9.89
No. of units sold (Crore kwh)	544.07	556.40	413.43	172.43	585.86	5.30	640.92	9.40
System loss (%)	5.58%	6.48%	5.10%	6.70%	5.58%	(0.06)	6.00%	(0.04)
Consumers (Nos.)	1,081,847	1,188,148	1,142,242	1,162,374	1,162,374	(2.17)	1,242,900	6.93

A

S

A

A

M

AS

Z

Dhaka Electric Supply Company Ltd (DESCO)

Particulars	Actual 2020-21	Budget 2021-22	Actual 2021-22 (July/21 to Mar/22)	Estimated 2021-22 (April/22 to June/22)	Revised Budget 2021-2022	Variance (Revised Budget 2021-22 with Budget 2021-22) (%)	Budget 2022-23	Variance (Budget 22-23 with Revised Budget 21-22) (%)
S & D Division (Nos.)	16	16	24	24	24	50.00	24	0.00
Employees (Nos.)	1,892	2,030	1,859	1,855	1,855	(8.62)	1,985	7.01

4. Performance Ratio

Particulars	Actual 2020-21	Budget 2021-22	Actual 2021-22 (July/21 to Mar/22)	Estimated 2021-22 (April/22 to June/22)	Revised Budget 2021-2022	Budget 2022-23
Gross Profit to Sales (%)	7.33%	7.90%	9.60%	9.56%	9.59%	8.8%
Operating Profit to Sales (%)	4.01%	3.61%	4.60%	10.30%	6.31%	4.47%
Employee Expenditure to Sales (%)	5.63%	5.24%	5.30%	4.99%	5.21%	5.56%
Employee Expenditure to Total Expenditure (%)	5.42%	5.09%	5.11%	4.51%	4.92%	5.34%
Administrative Expenditure to Total Expenditure (%)	0.96%	1.28%	1.04%	1.92%	1.32%	1.44%
Net Profit to Sales (%)	1.70%	1.09%	0.67%	-0.12%	0.44%	0.93%
Collection Bill Ratio (%)	103.90%	100.00%	101.76%	99.73%	100.75%	100%
C.I. Ratio (%)	98.10%	93.00%	94.90%	93.30%	94.10%	94.00%
Consumer / Employee	572	568	614	627	627	626

5. Assumptions:

a) Purchase:

Energy purchase has been estimated to increase at around 9.89% in terms of units and 9.91% amount for FY 2022-2023 considering the improvement of load shedding, increase in load demand & number of consumers and taking various steps taken by the Govt. for facing COVID-19.

b) Sales:

Sales have been assumed to increase by 9.40 % in terms of units and by 9.69% in terms of amount for FY 2022-2023 (The average selling rate is Tk. 8.18/kwh).

c) Consumer growth:

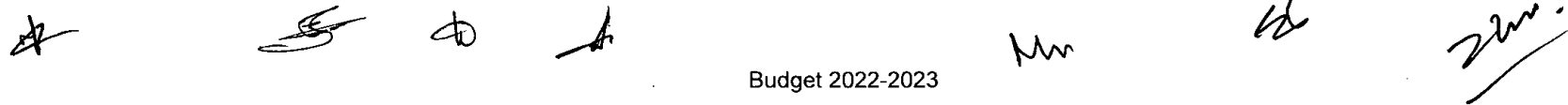
Consumer growth is assumed to 6.93% for FY 2022-2023.

d) System loss:

Budget for system loss has been fixed at 5.58% for FY 2021-2022 against 6.00% in the current year 2022-2023.

e) Expenditure

Budgeted expenditure has been estimated based on the requirement and past years expenditure trend. Revised Budget represents actual for 9(nine) months and projected next 3(three) months.



Budgeted Income Statement
For the FY 2022-2023

Description	Note	Actual 2020-21	Budget 2021-22	Actual 2021-22 (July/21 to Mar/22)	Estimated 2021-22 (April/22 to June/22)	Revised Budget 2021-2022	Variance (Revised Budget 2021-22 with Budget 2021-22) (%)	Budget 2022-23	Variance (Budget 22-23 with Revised Budget 21-22) (%)
		a	b	c	d	e = (c+d)	f = (e-b)/b *100	g	h = (g-e)/e*100
Sale of Electricity (Units kwh in Crore)	1	544.07	608.58	413.43	172.43	585.86	(3.73)	640.92	9.40
Purchase of Electricity (Units kwh in Crore)	2	576.23	650.87	435.67	184.82	620.49	(4.67)	681.83	9.89
System Loss %	3	5.58%	6.48%	5.10%	6.70%	5.58%	-0.90%	6.00%	0.42%

Amount in Crore

Sale of Electricity (Value TK)	1	4,347.05	4,990.37	3,348.26	1,431.20	4,779.46	(4.23)	5,242.73	9.69
Other Operating Revenues	7	91.17	70.00	93.33	34.61	127.94	82.78	105.00	(17.93)
A Total operating Revenue		4,438.22	5,060.37	3,441.59	1,465.81	4,907.40	(3.02)	5,347.73	8.97
Purchase of Electricity (value TK)	2	3,886.74	4,390.38	2,937.99	1,246.66	4,184.65	(4.69)	4,599.22	9.91
Operating Expenses	4	83.73	125.65	74.21	39.38	113.59	(9.60)	132.45	16.60
Depreciation (Operating)		148.97	150.00	107.98	42.99	150.97	0.65	155.00	2.67
B Total Cost of Energy Sales		4,119.44	4,666.03	3,120.17	1,329.04	4,449.21	(4.65)	4,886.66	9.83
C Gross Margin [A-B]		318.79	394.34	321.42	136.77	458.19	16.19	461.06	0.63
Expenses:									
Employee Expenses	5	244.77	261.29	177.31	71.46	248.77	(4.79)	291.29	17.09
Administrative Expenses	6	43.31	65.58	36.24	30.40	66.64	1.61	78.50	17.80
Depreciation (Non Operating)		9.65	10.00	8.25	2.75	11.00	10.00	12.00	9.09
Bad Debts Provision		(0.46)	2.50	(0.54)	1.74	1.19	(52.11)	2.62	119.39
D Total Expenses		297.27	339.37	221.26	106.35	327.60	(3.47)	384.41	17.34
Miscellaneous & Others Income		79.22	55.00	10.94	75.00	85.94	56.25	75.00	(12.73)
Interest on FDR		63.61	62.00	36.76	32.00	68.76	10.90	75.00	9.08
Interest on STD		9.94	8.00	6.21	10.00	16.21	102.65	7.50	(53.74)
Interest Income Total		73.55	70.00	42.97	42.00	84.97	21.38	82.50	(2.90)
E Operating Margin		174.28	179.98	154.07	147.42	301.49	67.52	234.15	(22.34)
Foreign Fluctuation Loss/(Gain)		(0.34)	1.54	35.68	125.23	160.91	10351.73	69.36	(56.90)
Interest Expense		101.43	104.48	80.01	24.38	104.39	(0.08)	100.70	(3.54)
Financial Expenses Total	8	101.09	106.02	115.69	149.61	265.30	150.24	170.05	(35.90)
F Net Profit/(Loss) Before Tax and WPPF		73.19	73.96	38.38	(2.19)	36.19	(51.07)	64.10	(77.12)
Provision for Workers Profit Participation fund		3.49	4.00	1.83	(0.11)	1.72	(57.00)	3.05	77.33
G Net Profit/(Loss) Before Tax		69.70	69.96	36.55	(2.08)	34.47	(50.73)	61.05	77.11
Provision for Income Tax		(4.21)	15.74	14.09	(0.42)	13.68	(13.11)	12.21	(10.73)
H Net Profit/(Loss) After Tax		73.91	54.22	22.46	(1.66)	20.79	(61.65)	48.84	134.88

Budgeted Cash flow Statement

For the FY 2022-2023

Amount in Crore

Particulars	FY-2021-2022	FY - 2022 - 2023
	Taka (Est.Actual)	Taka (Budgeted)
Cash inflow		
Received from Energy Sales	4,779.46	5,242.73
Received from Other Operating Activities	127.94	105.00
Received against Financial & Miscellaneous Income	170.91	157.50
Short Term Loan (Received from Local Bank)	-	250.00
Long Term Loan (Received from ADB+AIIB+JICA+GOB)	69.59	194.71
Total cash inflow	5,147.90	5,949.93
Cash outflow		
Payment for Energy Purchase	4,184.65	4,599.22
Payment for Employee Expenses	248.77	291.29
Payment for Operating Expenses	113.59	132.45
Payment for Administrative Expenses	66.64	78.50
Payment against DSL	116.88	150.75
Capital Expenditure	579.23	1,314.40
Dividend Paid (Proposed)	39.75	39.75
Total cash outflow	5,349.51	6,606.35
Cash & Cash equivalents increase/(decrease) during the year	(201.61)	(656.42)
Cash & Cash equivalents at the beginning of the year	1,515.72	1,314.10
Cash & Cash equivalents at the ending of the year	1,314.10	657.69